

MA—819 (COMPANY)—Continued

Report of Revenues Earned for _____¹ Pursuant to 46 CFR Part 280
Form Approval—OMB No. 41.R2954—15

| | Trade Route No. | | Trade Route No. | | Trade Route No. | |
|-----------------------------|-----------------|---------|-----------------|---------|-----------------|---------|
| | Dollars | Percent | Dollars | Percent | Dollars | Percent |
| Miscellaneous revenue | | | | | | |
| Total gross revenue | | | | | | |

¹ Enter Calendar Year ____ or Cumulative Quarterly Period Ending ____ as applicable for the report being filed.

PART 281—INFORMATION AND PROCEDURE REQUIRED UNDER LINER OPERATING-DIFFERENTIAL SUBSIDY AGREEMENTS

Sec.

281.1 Information and procedure required under liner operating-differential subsidy agreements.

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281.6 Interpretation.

AUTHORITY: Sec. 204, 49 Stat. 1987, as amended; 46 U.S.C. 1114. Interpret or apply sec. 606, 49 Stat. 2004, as amended; 46 U.S.C. 1176.

§281.1 Information and procedure required under liner operating-differential subsidy agreements.

In compliance with the terms of the operating-differential subsidy agreement, the following information shall be submitted to the Maritime Administration by each operator who is a party to any such agreement and operates liner type vessels pursuant to such agreement.

(a) *Sailing schedules, routes, etc.* (1) One copy of a list of sailings is required to be submitted not later than the 5th day of each month, listing each outbound sailing during the preceding month. Such list shall show for each such sailing: (i) Vessel name; (ii) voyage number; (iii) last continental U.S. port; (iv) sailing date; and (v) the service on which the sailing took place.

(2) A “Final Report” in five copies shall be submitted not later than 15 days after the end of the month in

which the voyage is terminated and shall show: (i) The time and ports at which the voyage commenced and terminated; (ii) the arrival and sailing dates of the vessel at and from each United States and foreign port, including ports of call for bunkering and/or mail only; (iii) explanation of any delay in excess of 2 days at a United States or foreign port; (iv) appropriate notation of official authorization for any deviations from the service described in the applicable contract.

(3) The procedures outlined in paragraphs (a) (1) and (2) of this section shall be effective on the first of the month following publication in the FEDERAL REGISTER.

(4) The sailing schedules and lists of sailings specified in this paragraph shall be sent to the Division of Trade Studies, Office of Subsidy Administration, Maritime Administration, Washington, DC 20590.

(b) *Condition of vessels, inspection and repairs.* (1) In order that the Maritime Administration may have an opportunity to participate in the inspection of the vessels, the operator is required to give at least twenty-four hours’ notice to the Maritime Administration as to the time and place of making inspections. In the event the Maritime Administration’s representative is not available, the operator shall employ an independent surveyor, who shall be satisfactory to the Maritime Administration, and proceed with inspection, and a report thereof shall be made to the Maritime Administration on forms MA-55, MA-56, MA-57, and MA-58, sworn to by persons making the inspection.

(2) The operator shall give due notice to the local office of the Division of Maintenance and Repair, at the port at which the vessel is to be available, of

the port, date and time for the making of repairs or replacements in the United States.

(3) In connection with further requirements, reference is made to General Order 20 (Part 271 of this chapter) and supplements thereto for more detailed instruction.

(4) Vessel repairs are to be performed within the continental limits of the United States, except in emergency cases the necessity for which the operator should be prepared to justify upon audit.

(c) *Insurance.* (1) Immediately upon the binding of any insurance with respect to any vessel covered by the operator's subsidy agreement, there shall be submitted to the Division of Insurance Office of the Comptroller, Maritime Administration, Washington, DC 20590, for the Maritime Administration's approval, a signed copy of each cover note issued by the operator's brokers, which, to the extent applicable, shall set forth as to such vessel the amounts covered by hull, disbursements and other forms of total loss protection, as well as P and I insurance. Such cover notes shall include the rates, the amounts placed in the different markets, the companies interested, the policy numbers and the amount underwritten by each policy; also, there shall be shown the amount of the deductible average, if any. Upon request, policies shall be submitted to the Maritime Administration for examination and return.

(2) The Maritime Administration shall be advised promptly of any cancellation, changes in terms, or companies interested, and of any lay-up periods which will permit of the collection of return premiums, and of any major casualty or total loss which may occur.

(3) Insurance arranged in conformity with the requirements of applicable mortgages held by the United States will be deemed sufficient to comply with the requirements of the operator's operating-differential subsidy agreement.

(4) The Maritime Administration furthermore, wishes to emphasize its desire that as much of the American Merchant Marine insurance coverage as is practicable be placed in the American insurance market. Therefore, when a

renewal of policies or new insurance is under negotiation by an operator subject to the provisions of this order, it is urgently requested that particular attention be given to the Maritime Administration's desire as herein expressed with regard to markets in which such insurance may be placed, and that the Maritime Administration be notified in ample time to give consideration to the pertinent facts and circumstances of each case, so that prior to the attachment of such insurance, approval thereof or suggested changes may be indicated.

(d) *Inventories.* Twenty-four hours' notice shall be given to the Maritime Administration as to the time and place of inventorying classification-required spare parts, ship's spare equipment, fuel and stores as are customarily inventoried and the cost of which is charged to the voyage accounts. If, upon giving the above-required notice, the Maritime Administration's representatives are not present, the operator is to proceed with his inventory in the normal way. The operator may use his own inventory forms, one copy of which shall be sworn to by the persons taking the inventory and included in the voyage accounting.

(e) *Partial payments on account.* When partial payments are desired on account of operating-differential subsidy accruals, the operator should communicate with the Comptroller, Maritime Administration, Washington, DC 20590, who shall forward necessary instructions and forms to be used.

(f) *Current financial reports.* Each operator shall prepare current financial reports as specified in this paragraph and shall submit one copy each to the appropriate Region Director of the Maritime Administration and three copies each to the Director, Office of Financial and Rate Approvals, Maritime Administration, Washington, DC 20590. MARAD will accept electronic options (such as facsimile and Internet) for transmission of required information to MARAD, if practicable.

(g) *General.* All reports and other communications called for by the foregoing should be addressed to the Secretary, Maritime Administration, Washington, DC 20590.

EXHIBIT B—SAMPLE ALLOCATION OF TERMINAL EXPENSES BY VESSEL AND VOYAGE ¹

| Type of facility | Vessel | Total units loaded and discharged | | Voyage status end of the period | | Ratio vessel/voyage to Total (percent) | Terminal cost by vessel/voyage | | |
|---------------------------------------|---------|-----------------------------------|--------------------------|---------------------------------|--------------|--|--------------------------------|------------|--------------|
| | | Voyage | Total units ² | Terminated | Unterminated | | Totals | Terminated | Unterminated |
| Container yard | Cont-1 | 1 | 500 | 500 | ..... | 31.7 | \$326.51 | \$326.51 | ..... |
| | LASH-2 | 1 | 359 | ..... | 359 | 22.7 | 233.81 | ..... | \$233.81 |
| | LASH-2 | 2 | 260 | ..... | ..... | 16.5 | 169.95 | 169.95 | ..... |
| | B/B-4 | 1 | 110 | ..... | ..... | 6.9 | 71.07 | 71.07 | ..... |
| | Cont-6 | 1 | 200 | ..... | ..... | 12.7 | 130.81 | 130.81 | ..... |
| | Cont-6 | 2 | 150 | ..... | 150 | 9.5 | 97.85 | ..... | 97.85 |
| Container freight station/ break bulk | | | (a) 1,579 | 1,070 | 509 | 100.0 | 1,030.00 | ..... | ..... |
| | LASH-2 | 1 | 17,002 | 17,002 | ..... | 22.8 | 175.56 | 175.56 | ..... |
| | LASH-2 | 2 | 11,002 | ..... | 11,002 | 14.8 | 113.96 | ..... | 113.96 |
| | RO/RO-3 | 1 | 30,525 | 30,525 | ..... | 41.0 | 315.70 | 315.70 | ..... |
| | B/B-4 | 1 | 1,000 | 1,000 | ..... | 1.3 | 10.01 | 10.01 | ..... |
| | Bulk-5 | 1 | 15,000 | 15,000 | ..... | 20.1 | 154.77 | 154.77 | ..... |
| Barge terminal | LASH-2 | 1 | (b) 74,529 | 63,527 | 11,002 | 100.0 | 770.00 | 770.00 | ..... |
| | LASH-2 | 2 | 37 | 37 | ..... | 68.5 | 445.25 | 445.25 | ..... |
| | | | (c) 54 | 37 | 17 | 31.5 | 204.75 | ..... | 204.75 |

¹ This allocation procedure shall be applied for each terminal maintained by an operator.
² (a) Units for container yard twenty foot equivalent units (TEU's)
(b) Units for container freight station and break bulk operations freight payable tons (FPT's)
(c) Units for barge terminal operations freight payable tons (FPT's)
(d) Other terminal facilities (not illustrated) handling many or all cargo carriage technology types will allocate period costs on freight payable tons load and discharged during the period.

EXHIBIT C—SAMPLE ALLOCATION OF CONTAINER/BARGE EXPENSES BY VESSEL AND VOYAGE
EXAMPLE

| Service | (A) | (B) | (C) | (D) | | (E) | (F) | (G) | (H) | (I) | (J) |
|---------|---------------|------|-----|------------|--------------|-------|-----|-------|---------|------|-----------|
| | | | | Terminated | Unterminated | | | | | | |
| A | Calculations: | | | | | | | | | | |
| B | Container-1 | 1 | | 90 | ..... | 1,050 | 2 | 2,100 | 189,000 | 39.3 | \$162,967 |
| C | LASH-2 | 1 | | 60 | ..... | 450 | 4 | 1,800 | 108,000 | 22.4 | 92,887 |
| | LASH-2 | 2 |  | ..... | 30 | 450 | 4 | 1,800 | 54,000 | 11.2 | 46,444 |
| | RO/RO-3 | 1 | | 70 | ..... | 350 | 3 | 1,050 | 73,500 | 15.3 | 63,445 |
| | RO/RO-3 | I.S. | | 20 | | 350 | 3 | 1,050 | 21,000 | 4.3 | 17,831 |
| | Break-Bulk-4 | 1 | | | 90 | 100 | 4 | 400 | 36,000 | 7.5 | 31,101 |

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| | | | | | | | | | |
|--------------|-----|-----|-------|-------|-------|-------|---------|-------|---------|
| Totals | 240 | 120 | | | | | 481,500 | 100.0 | 414,675 |
|--------------|-----|-----|-------|-------|-------|-------|---------|-------|---------|

Assumptions:
Service A—One (1) Container vessel with an actual capacity of 1,050 containers with two (2) containers acquired for each container slot.
Service B—One (1) LASH vessel with an actual capacity of 450 containers with four (4) containers purchased for each container slot.
Service C—One (1) Roll on-roll off vessel with an actual capacity of 350 containers with three (3) containers acquired for each container slot.
W—One (1) Break-bulk vessel with an actual capacity of 100 containers with four (4) containers acquired for each container slot.
Total container pool costs for a ninety (90) day period equals \$414,675.

§ 281.2

EXHIBIT D—EXAMPLES OF VESSEL TYPES CURRENTLY OPERATED

| | | |
|----------|-----------|-----------|
| C3-S-33a | C4-S-49a | C6-S-1gc |
| C3-S-38a | C4-S1-49a | C6-S-1w |
| C3-S-43a | C4-S-57a | C6-S-1x |
| C3-S-46a | C4-S-58a | C6-S-1xa |
| C3-S-46b | C4-S-60a | C6-S-6gc |
| C3-S-73b | C4-S-64a | C6-S-85a |
| C3-S-76a | C4-S-64b | C6-S-85b |
| C4-S-1a | C4-S-65a | C7-S-68c, |
| C4-S-1l | C5-S-37e | d, and e |
| C4-S-1g | C5-S-37f | C8-S-81b |
| C4-S-1sa | C5-S-73b | C8-S-82d |
| C4-S-1t | C5-S-75a | C9-S-81d |
| C4-S-1u | C5-S-78a | |
| C4-S-19a | C6-S-1ga | |

(Approved by the Office of Management and Budget under control number 2133-0009)

[G.O. 12, Rev., 14 FR 4785, Aug. 6, 1949, as amended by Supp. 2, Amdt. 1. 21 FR 328, Jan. 17, 1956; 33 FR 2944, Feb. 14, 1968; Supp. 3, Amdt. 3, 34 FR 13369, Aug. 19, 1969; 40 FR 7430, Feb. 20, 1975; 47 FR 25530, June 14, 1982; 68 FR 62537, Nov. 5, 2003]

§ 281.2 Definitions.

As used in §§ 281.2 through 281.6 of these regulations, except as otherwise indicated by the context;

(a) The word *operator* means an operator receiving operating-differential subsidy under title VI of the Merchant Marine Act, 1936, as amended (Act), for a voyage on an essential service as described in section 211(a) of the Act;

(b) The term *Maritime Administrator* means Maritime Administrator, Department of Transportation;

(c) The term *Region Director* means the Region Director of the Maritime Administration having jurisdiction over the port or ports involved;

(d) The term *idle status* means any period in port between or during voyages for which the vessel's normal crew complement is reduced by 10 percent or more and *division of wages* is not paid for the missing men. The idle status period shall continue up to, but not including, the day that the vessel is remanned to the extent that the vessel's normal crew complement is restored to more than 90 percent or *division of wages* is paid for the missing men, or the vessel is temporarily or permanently withdrawn from subsidized service;

(e) *Normal crew complement* means the basic crew complement which has been approved for operating-differential subsidy under the provisions of section 603 of the Act, or as established by collec-

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tive bargaining or other agreement for the voyage involved, whichever is less.

[G.O. 27, Rev. 2, 37 FR 18466, Sept. 12, 1972]

§ 281.3 Method of commencing and terminating voyages and of determining idle status.

(a) *Voyage commencements.* Voyages shall commence as of 12:01 a.m. of the day that loading of cargo, stores, or fuel begins, or as of 12:01 a.m. of the day following the termination of the prior voyage or, in the event that an idle status period follows a voyage termination, as of 12:01 a.m. of the day following the day on which such idle status period ends.

(b) *Voyage termination.* Voyages shall terminate at a U.S. port of call at midnight of the day of completion of paying off the crew from foreign articles, or the completion of final discharge of cargo or ballast at the last U.S. port of discharge, or the completion of voyage repairs, whichever event occurs last: *Provided, however,* That if a vessel sails outward on a new voyage prior to midnight of the same day, the inward voyage shall terminate as of midnight of that day, and the outward voyage shall commence as of 12:01 a.m. of the succeeding day; and that where a portion of any particular voyage overlaps a portion of the next succeeding voyage and the quantity of inward cargo remaining aboard at the port at which major cargo activities for the outward voyage are begun does not, in the opinion of the operator, justify extension of the inward voyage beyond that port, the operator shall immediately request the Region Director for permission to treat the inward voyage as having terminated at midnight of the day specified in such request and shall advise the Region Director what cargo has been and is still to be discharged and loaded at each port of the inward voyage; and that where, in the opinion of the operator, voyages as a general practice should terminate at the home or terminal port rather than at the last port of discharge, or a voyage should terminate on the day prior to commencement of an idle status period, or on the day that the voyage would have terminated had strikes not interfered with normal operations, application for such terminations may be made to the